

Was subject

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REF-4772

DEFENSE FIELD

MAY 20 1953

ATTN: HEDGECOCK/CAKE/AMERATH

AIR

Chief of Mission, Frankfurt

Chief, SR

- HEDGECOCK/CAKE/AMERATH
- Transmittal of CAPELIN's Oral Agreement

REF: MEMO 3492

Transmitted herewith, in lieu of a written contract, is a copy of an oral agreement between CAPELIN and KURASH.

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Attachment:
As noted above.

- DISTRIBUTION:
- 3 - COM w/o Attach.
 - 2 - COM w/1 of Attach.
 - 1 - RI/TAP
 - 2 - SR/3

SR-3(W)/SR/tas
20 May 1953

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2008

SR/3 _____
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SR/PI/G/CE _____

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Peter Sichel

SR

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ad.
EGQW-7572

VIA : Finance Division
Special Contracting Officer
Chief, SR-3

Memorandum defining terms of oral agreement
for CAPELIN

The Central Intelligence Agency and CAPELIN have agreed that the following terms and conditions shall govern the relationship of CAPELIN and CIA for the duration of this agreement.

1. Compensation. CAPELIN will be paid an amount calculated at the rate of \$2400 per annum (\$200 per month). One Hundred dollars (\$100) per month will be paid directly to him. The remaining \$100 per month will be deposited to an escrow account in his name in the United States commencing on the effective date of this memorandum. The funds deposited in such escrow account will be payable at any time to him or to any person or persons designated by him in writing, provided that payment will be made only in a manner acceptable to the Government. In the event of his death, if no person has been designated in accordance with this paragraph, the balance of the escrow account will be paid to his estate for appropriate disposition. No taxes will be withheld from this amount, and it will be his responsibility to report such income under existing Federal income tax laws and regulations.

2. Travel. He will be advanced or reimbursed funds for authorized travel within his operational area, and he will be entitled to per diem in lieu of subsistence in the course of such travel. All travel under this paragraph must be properly authorized, and expenses incurred hereunder are subject to payment and accounting in substantial compliance with CIA regulations.

3. Operational Expenses. He will be advanced or reimbursed funds for necessary operational expenses including, but not limited to, the purchase of information as specifically approved by CIA. Such funds will be subject to accounting in substantial compliance with CIA regulations.

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Copy of this accompanied EGQW-7572

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4. Term. This agreement is effective as of 1 January 1953 and shall continue thereafter indefinitely unless sooner terminated by CIA.

REVIEWED:

Special Contracting Officer

Chief, SR

Date:

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